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FM AMEMBASSY BRIDGETOWN
TO RUEHC/SECSTTE WASHDC PRIORITY 4890
INFO RUCNCOM/EC CARICOM COLLECTIVE PRIORITY
RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 0073
RUEHCV/AMEMBASSY CARACAS PRIORITY 179
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL PRIORITY
RMIAAA/HQ USSOUTHCOM J5 MIAMI FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 BRIDGETOWN 00740

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DEPARTMENT FOR WHA/CAR
SOUTHCOMALSO FOR POLAD
ADDIS ABABA FOR ANTHONY FISHER

E.O. 12958: DECL: 06/04/2017
TAGS: [PGOV](#) [PINR](#) [PREL](#) [SNAR](#) [KCRM](#) [VC](#) [XL](#)
SUBJECT: OPPORTUNITY KNOCKS LOUDER FOR ST. VINCENT'S
OPPOSITION

REF: A. BRIDGETOWN 369
[1](#)B. BRIDGETOWN 299

BRIDGETOWN 00000740 001.4 OF 002

Classified By: CDA Mary Ellen T. Gilroy for reasons 1.4 (b) and (d).

[1](#)1. (C) Summary: On Friday, June 8, opposition party leader, Arnhim Eustace, will lead another protest demonstration in St. Vincent and the Grenadines (SVG). This time, Eustace has managed to gain public support from several members of St. Vincent's private sector. However, Eustace's goals for this protest do not match those of the private sector. Prime Minister Ralph Gonsalves may therefore seek to address the business leaders' grievances and neutralize Eustace in the process. End Summary.

"Hurricane Ralph" Mitigation

[1](#)2. (C) On May 18, St. Vincent and the Grenadines opposition leader, Arnhim Eustace, called on the country to participate in another protest rally on June 8 to protest the country's "lurching from crisis to crisis, like a ship without a rudder, battered by rough seas and high winds associated with 'hurricane Ralph.'" Opposition Senator St. Claire Leacock told EconOff that the June 8 rally will focus on five major issues that he sees are confronting the poor and middle class: 1) the newly introduced Value Added Tax; 2) the user charge for ferry travel to the Grenadines; 3) the effect of relations with Venezuela and Cuba on foreign investment; 4) alleged election fraud; and 5) increased criminal activity in St. Vincent. Leacock predicts a minimum of 7,000 protesters in attendance when the rally begins at 11:00 a.m.

New Allies Raise the Opposition's Volume

[1](#)3. (C) Most of these issues--higher cost of living, questionable election procedures, increased crime and foreign policy approaches--are not significantly different from past opposition rally themes. What will make the June 8 protest different from previous protests is Eustace's success in mobilizing public support from the private sector, including some members of the St. Vincent and the Grenadines Chamber of Commerce and Industry. (Note: The SVG Chamber of Commerce and Industry did not officially support the closure of businesses on June 8, as Eustace asked, but instead left the

decision to its individual members. End Note.)

¶4. (C) The timing of the rally could not have been better for Eustace. The Board of the SVG Chamber of Commerce and Industry elected on May 30 its new president, Jerry George (Marketing Manager for Digicel), who is a known opposition party supporter. According to Senator Leacock, there are four business representatives who have agreed to shutdown their businesses and speak at the protest rally. As a result, PM Gonsalves appears to be monitoring the situation more closely than in the past. According to Ken Boyea, influential business leader and PM Gonsalves' first cousin, "The Prime Minister is scared and has been aggressively lobbying the private sector not to participate in the June 8 protest."

Opposition vs. Private Sector Goals

¶5. (C) St. Vincent's newly imposed--and highly unpopular--VAT system may have introduced new common ground between leaders of the Vincentian business community and the opposition, but the principal goals between the two remain different. Whereas the opposition party has made obvious its desire to remove the Prime Minister from office altogether, the private sector instead wants to increase its dialogue and trust with the Gonsalves government to encourage a better business climate. However, this may be an uphill battle. Lennox Lampkin, SVG Chamber of Commerce and Industry's Executive Director, told EconOff that "it has become increasingly difficult to promote private sector investment and growth in an environment where the Prime Minister is at the same time pushing for a socialist-style economic development agenda, even if it is just rhetoric." Lampkin also added, "right now Gonsalves is sending out the message that not only do the poor deserve better, but that the private sector is going to finance (various social programs)."

* Missing Section 002 *
